

How Does the Prescription Drug Discount Card Work for Seniors?

Less than six months after President Bush signs the historic Medicare-Prescription Drug bill into law (through 2006 when full drug coverage kicks in), more than 40 million senior and disabled Americans using Medicare today will be able to realize significant savings of up to 25% off what they currently pay for pharmaceuticals thanks to a newly created ***Prescription Drug Discount Card***.

While this new ***Rx Discount Card*** will be voluntary, America's senior citizens will still need to apply for it – most likely by postal mail, the Internet, or a toll-free telephone number – with those pharmacies offering the card in the marketplace. A coordinated education program is being planned by the Department of Health & Human Services (HHS) to attract seniors and make sure they know all of the options available to them under the new discount card.

And just like other discount club cards Americans use everyday, the new ***Prescription Drug Discount Card*** will be swiped at the point of purchase at one's local pharmacy. This way, senior citizens can immediately and easily take advantage of the ***Rx Discount Card***'s benefits as their savings are automatically deducted from their medicine costs. According to HHS, this discount card could give seniors immediate savings up to 25% off their pharmaceutical bills.

While more than 90% of seniors fill at least one prescription each year and the typical senior spends \$1,460 annually on their life-saving medicines, a 25% discount means \$365 in savings. By helping seniors on fixed incomes keep more money in their pockets, this new ***Prescription Drug Discount Card*** quickly becomes a real boost for folks who need it the most.

For low-income seniors, the ***Rx Discount Card*** has added advantages in 2004 and 2005. The new card will provide an annual, upfront pharmaceutical credit of \$600 per low-income beneficiary for singles with yearly incomes under \$12,900 and senior couples under \$16,600. This assistance, combined with drug card discounts, will help low-income seniors cover out-of-pocket costs until the full drug benefit in the new Medicare-Prescription Drug law begins in 2006.